

Norfolk State University  
Proposed FY23 Budget - DRAFT  
April 8, 2022

University Operating Budget

	FY22 Budget	Proposed FY23 Budget	Change
<b>Revenue</b>			
Educational and General			
General Fund			
General Fund Appropriations	\$60,920,122	\$69,759,172	\$8,839,050
In-State Tuition Affordability	\$2,000,000	\$10,000,000	\$8,000,000
GF July 1, 2022 Carry Forward		\$1,285,332	\$1,285,332
Non General Fund			
Higher Education Operating			
Tuition	\$46,364,892	\$47,113,862	\$748,970
Out of State Capital Outlay Fees	\$458,766	\$420,789 <sup>2</sup>	(\$37,977)
Miscellaneous Revenue	\$1,044,106	\$1,044,106	\$0
	<u>\$110,787,886</u>	<u>\$129,623,261</u>	<u>\$18,835,375</u>
Total Educational and General	\$110,787,886	\$129,623,261	\$18,835,375
Auxiliary Enterprises	\$53,231,883	\$56,246,809	\$3,014,926
Sponsored Programs	\$20,231,943	\$20,231,943	\$0
Student Financial Assistance	\$19,560,214	\$23,294,214	\$3,734,000
Local Funds	<u>\$16,500,000</u>	<u>\$17,000,000</u>	<u>\$500,000</u>
<b>Total Revenues</b>	<b>\$220,311,926</b>	<b>\$246,396,227</b>	<b>\$26,084,301</b>
<b>Expenses</b>			
Educational and General			
Instruction	\$48,640,575	\$56,816,015	\$8,175,440
Research	\$404,959	\$883,639	\$478,680
Public Service	\$562,748	\$641,885	\$79,137
Academic Support	\$13,175,714	\$16,053,707	\$2,877,993
Student Services	\$6,664,286	\$7,331,629	\$667,343
Institutional Support	\$17,098,931	\$20,915,308	\$3,816,377
Operations and Maintenance of Plant	\$14,454,535	\$15,180,369	\$725,834
Funding to Be Budgeted Later	\$4,653,271	\$6,667,842	\$2,014,571
	<u>\$105,655,019</u>	<u>\$124,490,394</u>	<u>\$18,835,375</u>
Total Educational and General	\$105,655,019	\$124,490,394	\$18,835,375
Auxiliary Enterprises	\$53,231,883	\$55,871,164	\$2,639,281
Sponsored Programs	\$20,231,943	\$20,231,943	\$0
Student Financial Assistance	\$24,693,081 <sup>1</sup>	\$28,427,081 <sup>1</sup>	\$3,734,000
Local Funds	<u>\$16,500,000</u>	<u>\$17,000,000</u>	<u>\$500,000</u>
<b>Total Expenses</b>	<b>\$220,311,926</b>	<b>\$246,020,582</b>	<b>\$25,708,656</b>
Increase (Decrease) in Fund Balance	<u>\$0</u>	<u>\$375,645</u>	<u>\$375,645</u>

Notes:

1. SCHEV has passed a resolution requiring changes in the use and recording of tuition offsets. All merit-based tuition remissions must be funded through the use of tuition generated funding. To fulfill this requirement NSU will use the tuition charged to all students to fund tuition offsets. The University is awarding approximately \$5.1 million in tuition offsets.

All unfunded scholarships continue to require that the students receiving the awards must demonstrate financial need. In addition to the tuition funded assistance, the University is required to provide waivers to specific classes of individuals; waivers are projected at \$1.7 million. Additionally, NSU plans to award up to \$2 million in unfunded assistance to students in financial need. These awards will be supported by vacant positions that are currently funded.

2. The Commonwealth reduced the Capital Outlay Fee obligation for the University; the current obligation the University must provide to the Commonwealth is \$420,789. However, the University has not reduced the amount charged to nonresident students; the total collected will exceed the University's obligation to the State. The Capital Outlay Fee is a factor in the amount used by SCHEV for the annual full cost of education calculation. SCHEV's latest calculation shows that NSU is charging nonresident student less than the full cost of education. All revenue in excess of the amount needed for the Capital Outlay Fee obligation remains in E&G and is used to support E&G functions.

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April 8, 2022

Educational and General Schedule

	FY22 Budget	Proposed FY23 Budget	Change
<b>Revenue</b>			
Educational and General			
General Fund			
General Fund Appropriations	\$60,920,122	\$69,759,172	\$8,839,050
In-State Tuition Affordability	\$2,000,000	\$10,000,000	\$8,000,000
GF July 1, 2022 Carry Forward		\$1,285,332	\$1,285,332
Non General Fund			
Higher Education Operating			
Tuition	\$46,364,892	\$47,113,862	\$748,970
Out of State Capital Outlay Fees	\$458,766	\$420,789	(\$37,977)
Miscellaneous Revenue	<u>\$1,044,106</u>	<u>\$1,044,106</u>	<u>\$0</u>
<b>Total Educational and General</b>	<b>\$110,787,886</b>	<b>\$129,623,261</b>	<b>\$18,835,375</b>
<b>Expenses</b>			
Instruction	\$48,640,575	\$56,816,015	\$8,175,440
Research	\$404,959	\$883,639	\$478,680
Public Service	\$562,748	\$641,885	\$79,137
Academic Support	\$13,175,714	\$16,053,707	\$2,877,993
Student Services	\$6,664,286	\$7,331,629	\$667,343
Institutional Support	\$17,098,931	\$20,915,308	\$3,816,377
Operations and Maintenance of Plant	\$14,454,535	\$15,180,369	\$725,834
Funding to Be Budgeted Later	<u>\$4,653,271</u>	<u>\$6,667,842</u>	<u>\$2,014,571</u>
<b>Total Expenses</b>	<b><u>\$105,655,019</u></b>	<b><u>\$124,490,394</u></b>	<b><u>\$18,835,375</u></b>
<b>Increase (Decrease) in Fund Balance</b>	<b><u>\$5,132,867</u></b>	<b><u>\$5,132,867</u></b>	<b><u>\$0</u></b>
Student Financial Assistance	<u>(\$5,132,867)<sup>1</sup></u>	<u>(\$5,132,867)<sup>1</sup></u>	
<b>Total E&amp;G Overage/(Shortfall)</b>	<b>\$0</b>	<b>\$0</b>	

Notes:

1. The University utilizes approximately \$5.1 million in funding for tuition offsets. The use of these funds is reflected in student financial assistance.

Norfolk State University  
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April 8, 2022

Auxiliary Enterprise Schedule

	FY22 Budget	Proposed FY23 Budget	Change
<b>Revenues</b>			
User Fees	\$31,496,619	\$34,924,394	\$3,427,775
Mandatory Fees	\$17,007,491	\$17,746,473	\$738,982
Revenues and Commissions	\$3,707,290	\$3,575,942	(\$131,348)
Other Sources - FUND BALANCE	<u>\$1,020,483</u>	<u>\$0</u>	<u>(\$1,020,483)</u>
<b>Total Revenue</b>	<b>\$53,231,883</b>	<b>\$56,246,809</b>	<b>\$3,014,926</b>
<b>Expenses</b>			
Personal Services - Budget	\$9,903,240	\$11,931,503	\$2,028,263
Non Personal Services - Budget	\$37,981,513	\$35,336,122	(\$2,645,391)
Debt Service	<u>\$5,347,130</u>	<u>\$8,603,539</u>	<u>\$3,256,409</u>
<b>Total Expenses</b>	<b><u>\$53,231,883</u></b>	<b><u>\$55,871,164</u></b>	<b><u>\$2,639,281</u></b>
<b>Increase (Decrease) in Fund Balance</b>	<b><u><u>\$0</u></u><sup>1</sup></b>	<b><u><u>\$375,645</u></u><sup>1</sup></b>	<b><u><u>\$375,645</u></u></b>

Note:

1. Unspent AE funding will be used to support the required reserve as well as prepare for housing and food service maintenance.

Norfolk State University  
Schedule of Changes in General Fund Support for FY23<sup>1</sup>  
April 8, 2022

Central Appropriations	\$3,918,501
Non-Technical Changes	\$4,898,975
Tuition Affordability	\$10,000,000
Adjustment for Minimum Wage	\$56,574
Total Educational & General	\$18,874,050
Student Financial Assistance	\$3,699,000
Change In General Fund Support	\$22,573,050

Note:

1. The source of the amounts used in this report is HB30/SB30 from the 2022 General Assembly Session and the Governor's Budget presented December 16, 2021.